Aboriginal Affairs and Northern Development

First Annual Report

Partnering for Progress

2001-2002

to March 31, 2002

Alberta
ABORIGINAL AFFAIRS AND
NORTHERN DEVELOPMENT

Preface

Public Accounts 2001-2002

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta, released June 25, 2002, contains the Minister of Finance's accountability statement, the consolidated financial statements of the Province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

This annual report of the Ministry of Aboriginal Affairs and Northern Development (AAND) contains the Minister's accountability statement, the audited financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry also includes other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report.

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Minister's Accountability Statement

The Ministry's Annual Report for the year ended March 31, 2002, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 16, 2002 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Pearl Calahasen
Minister of Aboriginal Affairs
and Northern Development

Message from Minister Calahasen

I am pleased to introduce the first Annual Report of the Ministry of Aboriginal Affairs and Northern Development. During our first year as a ministry, we worked toward our key priorities—strengthening relationships with Aboriginal governments, communities and organizations; coordinating strategies with other provincial ministries for capacity building; and forming strategic partnerships to capitalize on economic opportunities.

We've continued to lead implementation of the *Aboriginal Policy Framework*, addressing social and economic issues and encouraging cooperation between the Government of Alberta and Aboriginal people.

We've consulted and partnered with others to enhance the well-being and self-reliance of Alberta's Aboriginal communities. In its second year of implementation, the Aboriginal Policy Initiative received tremendous support within government and more than 80 per cent of Alberta ministries have now identified Aboriginal strategies in their business plans for the next three years.

It has been a pleasure for us to have the Northern Alberta Development Council as part of the ministry. With the increasing importance of northern issues, there are opportunities to capitalize on synergies between northern and Aboriginal goals.

I look forward to the challenges and opportunities ahead of us on our journey.

Pearl Calahasen, Minister

Aboriginal Affairs and Northern Development

Management's Responsibility for Reporting

The Ministry of Aboriginal Affairs and Northern Development includes the Northern Alberta Development Council. The Metis Settlements Transition Commission (MSTC) and the Metis Settlements Appeal Tribunal (MSAT) report to the Minister but are not part of the Ministry. The MSTC was wound up on March 31, 2002.

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results from the Ministry rests with the Minister of Aboriginal Affairs and Northern Development. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control, which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Aboriginal Affairs and Northern Development any information needed to fulfil their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.

Patricia Meade, Deputy Minister
Aboriginal Affairs and
Northern Development
September 16, 2002

Organizational Overview

The Ministry of Aboriginal Affairs and Northern Development (AAND) includes the former Aboriginal Relations section of Alberta International and Intergovernmental Relations and the Northern Alberta Development Council, which was previously attached to Alberta Resource Development (Energy).

AAND leads the implementation of the Government of Alberta's *Aboriginal Policy Framework*, intended to improve the well-being and self-reliance of Aboriginal people and to guide Alberta's relations with Aboriginal governments, communities and organizations, and other partners.

AAND contact information: (780) 415-0900; www.aand.gov.ab.ca

Sections within the Ministry

The following sections are part of the Aboriginal Relations core business:

Aboriginal Land Claims

This section helps identify and resolve land-based issues in Alberta, coordinates all provincial government activities regarding Aboriginal land claims, and works with Alberta Justice to ensure that Alberta's interests are protected in Aboriginal litigation.

Aboriginal Initiatives

Aboriginal Initiatives works with Aboriginal communities and other partners to enhance social and economic opportunities for Aboriginal people within Alberta. This work includes implementing the *Aboriginal Policy Framework* and providing extensive support across government for the cross-ministry Aboriginal Policy Initiative. This section also oversees a number of agreements between the Alberta government and Aboriginal groups and is responsible for the administration of the Metis Settlements legislation.

Strategic Services

Strategic Services coordinates the implementation of government-wide strategies, including the cross-ministry Aboriginal Policy Initiative. This section also publishes research and statistical reports about Aboriginal communities and people in Alberta, coordinates intergovernmental relations and leads corporate planning for the Ministry.

Ministry Support Services

This section coordinates the provision of financial services, human resources services, information technology, records management and administration for the Ministry, through shared service arrangements with Alberta International and Intergovernmental Relations, Alberta Learning, and the Alberta Corporate Service Centre.

Communications

Communications provides strategic communications planning, issues management, media monitoring and relations services. This section also coordinates website development, advertising and printing services.

Other Entities within the Ministry

The Chair of the Northern Alberta Development Council reports to the Minister of Aboriginal Affairs and Northern Development. The Minister is also responsible for the administration of the Metis Settlements legislation.

Northern Alberta Development Council (NADC)

The NADC is a council of and for northerners, working to advance northern social and economic development. The NADC works in partnership with the private sector, communities, economic development agencies, Aboriginal groups and government ministries. The Council is chaired by Peace River MLA, Gary Friedel.

NADC offices are located in Peace River, Lac La Biche and Edmonton. Staff report through an Executive Director to the Deputy Minister, AAND.

NADC contact information: (780) 624-6274; www3.gov.ab.ca/nadc

Other Entities Reporting to the Minister

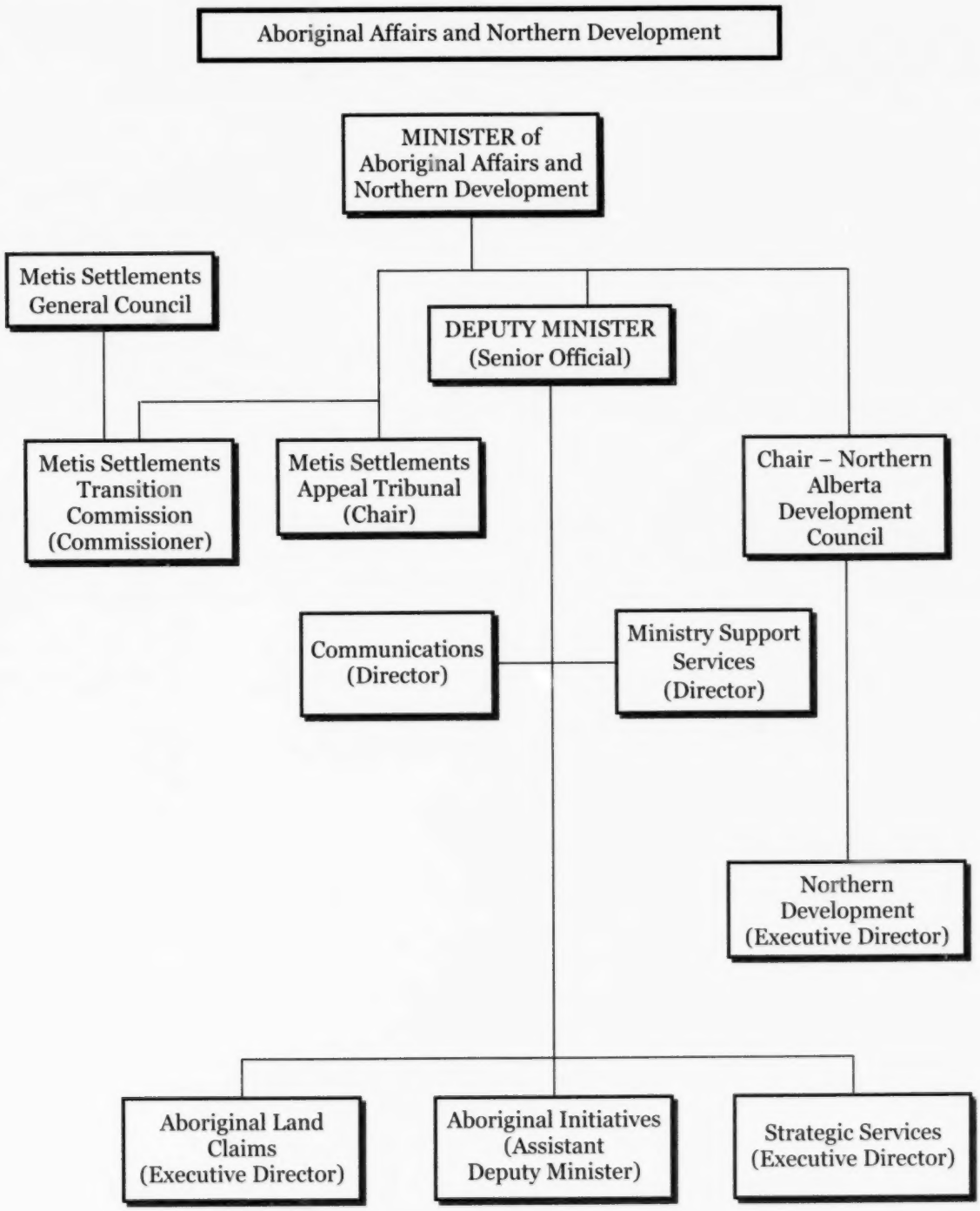
Metis Settlements Transition Commission

The Metis Settlements Transition Commission was established as an independent corporation responsible for implementation of the Metis Settlements legislation. The Transition Commission was dissolved on March 31, 2002. The Ministry of Aboriginal Affairs and Northern Development has prepared to assume responsibility for administration of the Metis Settlements Land Registry, a ministerial responsibility under the *Metis Settlements Act*. AAND and the Metis Settlements General Council have also prepared to assume many functions of the former Commission.

Metis Settlements Appeal Tribunal

The Appeal Tribunal hears land and membership appeals between Settlement members and councils. The Chair of the Metis Settlements Appeal Tribunal (MSAT) reports to the Minister of AAND.

Chart of Ministry Entities


Aboriginal Affairs and Northern Development
MINISTER of Aboriginal Affairs and Northern Development
Metis Settlements General Council
DEPUTY MINISTER (Senior Official)
Metis Settlements Transition Commission (Commissioner)
Metis Settlements Appeal Tribunal (Chair)
Chair – Northern Alberta Development Council
Communications (Director)
Ministry Support Services (Director)
Northern Development (Executive Director)
Aboriginal Land Claims (Executive Director)
Aboriginal Initiatives (Assistant Deputy Minister)
Strategic Services (Executive Director)

In 2001-2002, Aboriginal Affairs and the Northern Alberta Development Council operated as separate entities and were represented in two distinct business plans for 2001-2004. Therefore, in the following pages, the Ministry has reported separately on their respective results and performance measures.

Operational Overview

Aboriginal Affairs

Mission

The mission of Aboriginal Affairs is to lead the development of government-wide strategies and policies to improve the well-being and self-reliance of Aboriginal people and to guide Alberta's relations with Aboriginal governments, communities and organizations, and other partners.

Core business

Aboriginal Affairs strives toward an Alberta where Aboriginal cultures are respected and Aboriginal people participate fully in the Alberta Advantage.

The Ministry provides leadership in the management of Alberta's relationship with Aboriginal governments, communities and organizations. The Ministry coordinates strategies in close cooperation with other Alberta ministries, and through strategic partnerships with Aboriginal governments, communities and organizations, the private sector, and other stakeholders.

The Ministry's 2001-02 expenses by core business (thousands of dollars) are outlined in the table below.

Core Business	Comparable 2000-01 Actual	Comparable 2001-02 Budget	Comparable 2001-02 Actual	2002-03 Estimates	2003-04 Target	2004-05 Target
Aboriginal Affairs	27,905	28,256	29,200	28,228	28,265	28,265
Northern Development	1,899	1,954	1,829	1,954	1,954	1,954
Ministry Expenses	**29,804**	**30,210**	**31,029**	**30,182**	**30,219**	**30,219**

The Ministry's key services include:

- coordinating Alberta's strategies relating to Aboriginal relations;
- providing information, strategic advice and policy analysis to Alberta ministries, other clients and partners;
- facilitating partnerships that enhance the well-being and self-reliance of Aboriginal governments, communities and organizations;
- administering Metis Settlements legislation; and
- settling Indian land claims for which the Province has responsibility under the Natural Resources Transfer Agreement.

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Key factors influencing performance

An important focus for AAND in 2001-2002 was its establishment as a separate ministry, which created greater corporate demands.

Key factors that influenced performance include:

Role of the Ministry: AAND is not a program ministry. Instead it serves as a catalyst, coordinator and facilitator in the development and implementation of Aboriginal policies across government. AAND relies on the active support of other ministries and agencies in addressing Aboriginal issues. AAND has the complementary role of communicating government programs and policies to Aboriginal people, to industry and to other interested parties.

Increasing expectations: AAND has faced an increasing number of requests for action to address Aboriginal issues. These demands are in part due to the growing number of court decisions regarding interpretations of the rights of Aboriginal people as well as the rising expectations of Aboriginal communities, industry and other interested parties for significant actions in support of the *Aboriginal Policy Framework*. The breadth and complexity of the issues and the often-contradictory aspirations of different stakeholders pose challenges.

Relations with Metis Settlements: With the dissolution of the Metis Settlements Transition Commission, this has been a critical year in the evolution of Metis Settlements governments. The Ministry and the Metis Settlements have been required to work together to develop arrangements to fulfil the residual functions of the Commission.

Improvements to operating efficiency

The new Ministry adapted its organizational structures and functions to reflect its status and responsibilities. Construction of AAND's business plan for 2001-2004 was based on existing plans. The Ministry has developed a more integrated business plan for 2002-2005, and continues to refine its approaches to core businesses, goals and performance measures.

- **New procedures:** The Ministry developed new procedure manuals, which established clear requirements for processing and approving grants.
- **File management:** The Ministry initiated a review of its records management procedures during 2001-2002. In addition, Aboriginal Land Claims initiated the conversion of its files to comply with the government-wide records management program.
- **Commitment to teamwork and business plan strategies:** AAND has a strong commitment to teamwork, both within the organization and in partnership with other ministries, the private sector, communities and governments. In its first year of operation, Ministry staff demonstrated a high level of knowledge about and commitment to the Ministry's business plan as measured by the Core Human Resource Measures Survey of Employees.

Consultative processes

The Ministry engaged in numerous consultative processes during 2001-2002. Examples are included below:

Next steps for *APF*: The Minister and Ministry staff engaged in 14 dialogue meetings with Aboriginal communities and organizations regarding possible next steps in implementing the *Aboriginal Policy Framework*.

Health and well-being: Urban strategies in Edmonton and Calgary enabled diverse stakeholders to come together to examine strategies that affect the province, municipalities, and Aboriginal organizations. AAND participated with other ministries in discussions with First Nations and Metis organizations on well-being initiatives including Early Childhood Development, revisions to the *Child Welfare Act*, Protection of Children Involved in Prostitution, and Fetal Alcohol Spectrum Disorder.

Resource development issues: Ministry staff worked extensively with Aboriginal organizations and individuals, industry, other ministries, and other partners toward the development of a *Best Practices Handbook for Traditional Use Studies*. AAND worked with other ministries, industry and Aboriginal communities and organizations to evaluate pilot projects focused on consultation with Aboriginal people related to development activities on Crown land.

Results Analysis

During 2001-2002, implementation of the *Aboriginal Policy Framework (APF)* and Aboriginal Policy Initiative (API) were priorities for the Ministry. AAND worked with other provincial ministries to develop the Government of Alberta's Aboriginal Goal (Goal 6). This section is organized based on key results outlined in the Ministry's 2001-2004 Business Plan. Discussion of Goal 6 and the cross-ministry Aboriginal Policy Initiative follows in the Performance Measures section.

Goal 1: To Support Aboriginal People and Governments In Achieving Self-Reliance and Enhanced Well-Being.

Key Result 1.1: A coordinated provincial approach to Alberta's relationship with Aboriginal people.

Strengthening Relationships (*Aboriginal Policy Framework*)

The Minister and staff held follow-up consultation meetings on *Strengthening Relationships – The Government of Alberta's Aboriginal Policy Framework* with the Grand Chiefs of Treaty 6, 7, and 8 and the Alberta Assembly of First Nations Vice-Chief; the Metis Nation of Alberta Association Zones 1, 2, 3, and 5; the Kee Tas Kee Now Tribal Council; the Yellowhead Tribal Council; Tribal Chiefs' Ventures, and the Confederacy of Treaty 6 First Nations.

The Ministry continued to provide information and advice about the *Aboriginal Policy Framework* (*APF*) and its objectives.

The Ministry accessed federal funding from the Western Economic Partnership Agreement for the development of the *Best Practices Handbook for Traditional Use Studies*, urban strategies, and Community Liaison Offices on Economic and Employment Promotion Programs (CLOEPP).

Strengthening Relationships (cross-ministry Aboriginal Policy Initiative)

AAND led the Champion and Supporting Deputy Minister's Committee in support of the Aboriginal Policy Initiative for 2001-2002. Alberta Justice was the co-champion. Eight other ministries participated on an ongoing basis to generate new initiatives and to review progress. A revised Aboriginal Policy Initiative is contained in the Government of Alberta's business plan for 2002-2005.

Over 80 per cent of Alberta ministries have identified Aboriginal strategies in their business plans for 2002-2005.

As part of implementation of the *Aboriginal Policy Framework* and Initiative, AAND worked in partnership with other provincial ministries to address Aboriginal issues. Examples of the Ministry's work with other departments/agencies are as follows:

- Alberta Children's Services and Alberta Justice (in discussions with Canada and the Blood Tribe, leading to a proposed agreement-in-principle regarding the establishment of Blood Tribe jurisdiction over child welfare matters);
- Alberta Community Development (on development of regulations under the *Sacred Ceremonial Objects Repatriation Act*);
- Alberta Energy (on consultation with Aboriginal people related to development activities on Crown land);
- Alberta Energy and Utilities Board (on the Interdepartmental Sour Gas and Public Safety Committee);
- Alberta Environment (on Provincial Water Strategy and Integrated Resource Management initiatives);
- Alberta Gaming (on First Nations Gaming Policy);
- Alberta Human Resources and Employment (on the Skills Development Program and the Diversity Manual for Alberta Employers);
- Alberta International and Intergovernmental Relations (on relations between Aboriginal communities and G-8 Summit Organizers);
- Alberta Learning (on the *First Nation, Métis and Inuit Education Policy Framework*);
- Alberta Solicitor General (on First Nation policing); and
- Alberta Sustainable Resource Development (on development of the Type II Wildfire Fighting Program).

Enhancing Awareness and Understanding of Aboriginal Peoples and Cultures

The Ministry produces publications, disseminates information and supports cultural activities as part of its efforts to increase awareness and understanding of Aboriginal cultures in Alberta.

Publications produced during 2001-2002 include a *Guide to Aboriginal Organizations in Alberta* and profiles of Metis Settlements and First Nations. The Ministry also produced a summary of funding sources for Aboriginal people pursuing higher education and employment skills.

AAND supported publication of Volumes I and II of the Canada West Foundation's report series, *Urban Aboriginal People in Western Canada: Realities and Policies*. The Ministry also worked with Alberta Children's Services and the Metis Nation of Alberta Association to develop public education materials regarding fetal alcohol spectrum disorder, its effects and prevention.

During 2001-2002, the Ministry began redesign of its website and related links to inform the public about the Ministry and about Aboriginal issues.

AAND participated in the Sustainable Forest Management Network, providing information and advice to the Research Planning Committee.

The Ministry provided information and advice to delegations from Russia and Sri Lanka regarding Aboriginal demographics, policies and initiatives.

AAND attended and supported the Lesser Slave Lake Indian Regional Council Kapawe'no First Nation's hosting of the Seventh Generation Elders Gathering for Treaty 6, 7, and 8.

AAND actively participated in cultural celebrations such as National Aboriginal Day and Metis Week. The Ministry also provided funding to the Enoch Cree Nation to participate in cultural events at the International Association of Athletics Federations World Championships.

AAND coordinated cross-ministry planning and support for the Dunbow cemetery re-internments with First Nation and Metis Elders and community members.

Advancing Alberta's Interests with the Federal Government and National Aboriginal Organizations

The Ministry facilitated operation of the Alberta/Canada Partnership Forum, where representatives of federal and provincial ministries, First Nation treaty areas, the Metis Nation of Alberta Association and the Metis Settlements General Council agreed to identify practical and local approaches to improving Aboriginal participation in the economy. Tasks were assigned to working groups to report in 2002 (see Goal 6 Strategies and Highlights, Performance Measures section).

AAND contributed to the development of the national report *Strengthening Aboriginal Participation in the Economy*, and its subsequent work plan, progress report and communication strategy. The report and supporting materials were endorsed and released by Ministers of Aboriginal Affairs and National Aboriginal Leaders.

AAND participated in a successful National Aboriginal Youth Conference in Edmonton. One hundred and fifty Aboriginal youth from across Canada attended, along with provincial, territorial and federal officials, to identify priority issues and discuss the National Aboriginal Youth Strategy.

Key Result 1.2: Increased self-reliance and well-being of Aboriginal communities and people.

Capacity Building

The Ministry continued its capacity building work with Aboriginal communities and organizations, working with them to enhance their planning and administrative capabilities. Capacity building projects during 2001-2002 included:

AAND worked with other ministries to develop a draft Aboriginal Capacity Building Strategy.

- completion of Kapawe'no First Nation strategic plan and organizational restructuring;
- establishment of financial and personnel policies and procedures for the Cold Lake First Nation;
- extension of the Athabasca Tribal Council MOU on capacity building;

- evaluation of the Aseniwuche Winewak Nation capacity building project;
- provision of assistance to community projects through a contract with Canadian Executive Service Organization; and
- assessment of the capacity of the First Nations of the Lesser Slave Lake Indian Regional Council to utilize and benefit from information communication technology such as the Supernet.

AAND assisted the 20 Friendship Centres in Alberta with development of business planning processes.

The Minister personally visited nine of Alberta's Friendship Centres in the last year to determine how the Ministry could assist—beyond providing funding—in capacity building.

Metis Nation of Alberta Association Framework Agreement

AAND reviewed the 1999 Framework Agreement with the Metis Nation of Alberta Association (MNAA). The Ministry worked with the MNAA and 11 provincial ministries to evaluate outcomes of the agreement and its operation. The group identified opportunities to effect positive change and made recommendations to the MNAA and the provincial government.

Private Sector Partnerships

A key objective of the *APF* and a key strategy for the Ministry is the identification and promotion of opportunities for Aboriginal communities/organizations and the private sector to work together on joint initiatives.

AAND has identified approximately 50 Aboriginal-industry partnerships. Many are supported by Government of Alberta ministries.

Examples of Aboriginal-private sector partnerships supported by Alberta ministries include:

- **Lethbridge Aboriginal Employment Centre**. This centre, serving all Aboriginal people in and around the City of Lethbridge, was a partnership project between Human Resources Development Canada, the Metis Nation of Alberta Association, Treaty 7 Tribal Council and Alberta Human Resources and Employment.

- **First Nations Resource Training Project.** This project to train First Nations people for employment in the oil industry was a joint venture between the Kehewin, Heart Lake, Frog Lake and Cold Lake First Nations, Precision Drilling, Alberta Energy Company, the federal government, Alberta Human Resources and Employment, Alberta Energy and AAND.

- **Kikino Greenhouse Gas Reduction and Sustainable Development Initiative.** This project involves feasibility studies to determine whether co-generation and heat sink facilities will be economically viable for the Kikino Metis Settlement. Partners include Kikino Metis Settlement, TransCanada Pipelines, Alberta-Pacific Forest Industry Inc., the federal government and AAND.

Other Ministry initiatives involving the private sector include:

- initial discussions with the Western Cree Tribal Council and the Bigstone Cree Nation regarding resource development initiatives.
- facilitation of Aboriginal participation in the Northern East Slopes integrated resource management strategy.
- participation, along with Alberta Energy, the Dene Tha' First Nation and petroleum producers, in a pilot project involving consultation with Aboriginal people related to development activities on Crown land.
- a partnership project with the Alberta Chamber of Resources to develop best practices in Aboriginal participation in the private sector.

Key Result 1.3: Accountable, self-regulating and self-reliant Metis Settlement governments.

Promoting Metis Settlement Self-Governance

The dissolution of the Metis Settlements Transition Commission required the Ministry and the Metis Settlements to work together to develop arrangements to fulfil the residual functions of the Commission. The role of the Commission was to provide funding and expertise, to monitor financial and administration practices, and to provide advice on Metis Settlement governance requirements.

AAND worked with the Metis Settlements General Council to prepare for the dissolution of the Metis Settlements Transition Commission.

To replace the former Commission's investigative and accountability roles, the Ministry initiated establishment of a Metis Settlements Ombudsman's Office, which will investigate complaints regarding the administration of Settlement affairs, pursuant to Part 7 of the *Metis Settlements Act*.

AAND negotiated with the Metis Settlements General Council on an Amendment to the Matching Grants Replacement Agreement to follow the dissolution of the Commission.

The Ministry initiated negotiations with the Metis Settlements Appeal Tribunal on a Memorandum of Understanding pursuant to the Renner report on the roles and responsibilities of agencies, boards and commissions.

Key Result 1.4: Settlement of those Indian land claims for which the Province has a responsibility, in a way which is fair and equitable to all parties.

AAND has presented Alberta's views to the federal government on its proposed federal legislation regarding the implementation of land claim settlements and continues to press for future federal legislative action.

Representatives of AAND and Alberta Justice met with their counterparts from British Columbia, Saskatchewan and Manitoba. The meetings focused on coordinating inter-provincial initiatives in the areas of land claims, self-government negotiations, litigation management, and consultations with First Nations regarding resource development on Crown lands.

The Government of Alberta entered into a Protocol Agreement with the Siksika Nation, in which both parties agreed to negotiate on a wide range of issues of mutual interest.

Implementation of Treaty Land Entitlement (TLE) Settlements

Implementation of the following TLE settlements occurred during 2001-2002:

- the Tallcree Exchange Agreement;
- the Alexander Treaty Land Entitlement Settlement; and
- completion of the Smith's Landing Treaty Land Entitlement Reserve Survey.

Land Claims Negotiations

The following land claims negotiations were undertaken in 2001-2002:

- approval of negotiating frameworks on the Fort McKay and Fort McMurray treaty land entitlement claims;
- agreement with negotiators for the Bigstone Cree Nation regarding notations on lands and minerals; and
- negotiation of a final agreement regarding Alberta's participation in the settlement of the Cold Lake (Primrose Lake) specific claim.

Peigan Nation Protocol Agreement

Alberta signed a Protocol Agreement with the Peigan (Piikani) Nation in October 1998, committing Alberta to address issues important to both parties. Settlement negotiations under the protocol remained in progress during 2001-2002.

Litigation

AAND supported the Government of Alberta's litigation position on Aboriginal issues. Aboriginal Land Claims provided research and legal expertise to the Ministry of Justice, and worked with Justice to present Alberta's position in the successful appeal of the *Venne* (Lac La Ronge) case.

AUDITOR GENERAL
Alberta

Report Of The Auditor General On The Results Of Applying Specified Auditing Procedures To Performance Measures

To the Members of the Legislative Assembly:

I have performed the following procedures in connection with the Ministry of Aboriginal Affairs and Northern Development's performance measures included in the *2001-2002 Annual Report of the Ministry of Aboriginal Affairs and Northern Development* as presented on pages 14 to 25 and 30 to 31.

1. Information obtained from an independent source, such as Statistics Canada, was agreed with the information supplied by the stated source. Information provided internally was agreed to the reports from the systems used to develop the information.
2. The calculations that converted source information into reported measures were tested.
3. The appropriateness of the description of each measure's methodology was assessed.

As a result of applying the above procedures, I found no exceptions. However, these procedures do not constitute an audit of the performance measures and therefore I express no opinion on the performance measures included in the *2001-2002 Annual Report of the Ministry of Aboriginal Affairs and Northern Development.*

Fred J. Dunn, CA

Auditor General

Edmonton, Alberta

August 2, 2002

Performance Measures

In general, the Ministry' goals are focused on attainment of long-term objectives—building relationships with Aboriginal governments, organizations and people to improve the well-being and self-reliance of Aboriginal people in Alberta. Our success frequently depends on many factors including the economy and socio-demographic trends. Finally, results are often affected by other factors—both within the Alberta government (e.g., other ministries) and outside the Alberta government (e.g., the private sector, the federal and other governments). As a result, it is often the case that the Ministry's goals are attained over the long term rather than over the short term.

The Aboriginal Affairs Performance Measures for 2001-2002 are based on the following indicators:

- Narrative records of performance (e.g., project reports).
- Secondary economic and socio-demographic indicators.
- Survey of partners and stakeholders.
- Public polling data on the views of Albertans.

Performance measures for 2001-2002 are based on the measures used when the Ministry was part of Alberta International and Intergovernmental Relations. AAND has substantially revised its business plan for 2002-2005 and developed new performance measures. These measures will be reported on in next year's annual report.

Data Sources

One measure of departmental performance is through secondary indicators that track economic and socio-demographic trends related to Aboriginal people in Alberta. Tracking trends within the Aboriginal population in general and by its component groups (i.e., First Nation, Metis and Inuit) depends upon securing accurate and timely data.

To date, reliable and comprehensive Aboriginal population data sources have been limited to the Canada Census, which is conducted every five years, and the post-censal Aboriginal Peoples Survey, which has only been undertaken twice, in 1991 and 2001. Aboriginal-specific data from both the 2001 Census and the Aboriginal Peoples Survey is expected to be publicly available during 2003.

During 2001-2002, AAND worked with Alberta Human Resources and Employment and Statistics Canada to establish and incorporate Aboriginal specific "identifiers" within the monthly provincial Labour Force Survey. This two-year pilot project has been approved and an Aboriginal identifier will be incorporated into the August 2002 survey process.

In addition, AAND is working with Alberta Learning, Apprenticeship and Industry Training, to incorporate an Aboriginal-specific "identifier" into the Prior Learning Assessment data collection process.

Narrative Records of Performance

The Ministry reports on outcomes through narrative records, including project reports and reports on government-wide initiatives such as the *Aboriginal Policy Framework* (*APF*) and the cross-ministry Aboriginal Policy Initiative (API). The primary narrative record of Ministry performance is this annual report. Many of the Ministry's achievements are set out in relation to the goal and key results set out in the previous section. This is our first annual report and to some extent it will provide a baseline for future progress. The annual report is a vital document in chronicling year-to-year progress on goals and strategies that are frequently multi-year in their scope. In compiling this annual report, staff reviewed Ministry initiatives and undertakings using criteria that included:

- links between the issues and the Ministry's business plan;
- perceived importance of the issues for the Premier, Minister, or government as a whole;
- interests of Aboriginal governments, organizations and communities and other parties.

Government Business Plan Goal 6

The Ministry is responsible for coordinating reporting on Government Business Plan Goal 6:

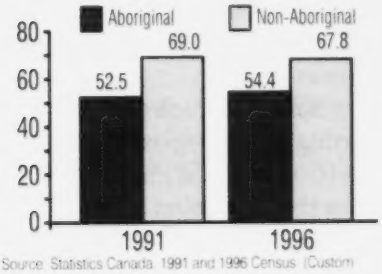
"The well-being and self-reliance of Aboriginal people will be comparable to that of other Albertans."

The four core measures associated with Goal 6 are:

- employment rate;
- life expectancy;
- high school completion; and
- post-secondary completion.

Results for these measures are presented below.

Employment Rate (Alberta)



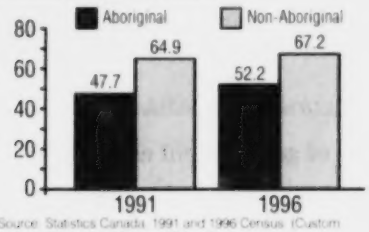
Data Source: Statistics Canada, 1991 and 1996 Census (Custom Tabulation, 2B Target Group Profile)

The data on employment and educational attainment rates is from the 1991 and 1996 Canada Census, Custom 2B profiles, prepared by Statistics Canada for AAND. "Aboriginal" includes all census respondents who identified their ethnic origin (1991) or ancestry (1996) as "North American Indian," "Métis" or "Inuit."

The employment rate is the number of the working age population (15-64 years) that is employed, divided by the total number of people of working age, expressed as a percentage.

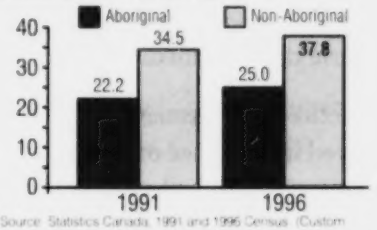
Educational attainment data identifies highest level of education completed. The percentages reported with "at least high school completion" include anyone with high school completion or a higher level of education (e.g., some post-secondary, post-secondary completion). The percentages reported with "post-secondary completion" include anyone with a trade certificate, post-secondary diploma or degree, and exclude those with some post-secondary education but no credentials (e.g., certificate, diploma or degree).

Percentage of Population 15+ with at least High School Completion (Alberta)



Data Source: Statistics Canada, 1991 and 1996 Census (Custom Tabulation: 2B Target Group Profile)

Percentage of Population Age 15+ with Post-Secondary Completion (Alberta)

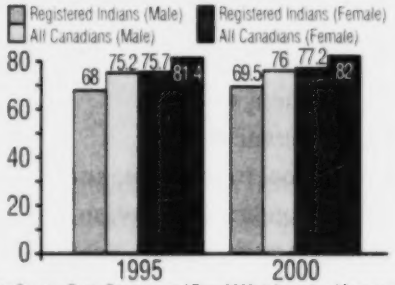


Data Source: Statistics Canada, 1991 and 1996 Census (Custom Tabulation: 2B Target Group Profile)

Data on life expectancy is published by the Federal Department of Indian Affairs and Northern Development (DIAND) and pertains to Registered Indians only. Life expectancy estimates the average number of years of life remaining to each member of a group, based on observed age-specific mortality rates.

"Registered Indians" are persons with status within the meaning of the *Indian Act*, whose names appear on the Indian Register as maintained by DIAND. DIAND makes information available on the Indian Register population by age, sex and place of residence for each calendar year.

Life Expectancy of Registered Indians and Canadian Populations (1995 & 2000)



Data Source: *Basic Departmental Data 2000*, Information Management Branch, Department of Indian Affairs and Northern Development, March 2001

Despite improvements in the life expectancy of Registered Indians in Canada, there continue to be socio-economic disparities between Aboriginal people and other Albertans.

Goal 6 Strategies and Highlights

Government Business Plan Goal 6 has a number of key strategies, some of which apply to all Alberta ministries. AAND coordinates development of and reporting on strategies related to both Goal 6 and the API. The information in the following tables (Goal 6 Highlights and API Targets and Results) was taken from internal reports prepared for the Champion and Supporting Deputy Minister's Committee in support of the Aboriginal Policy Initiative for 2001-2002. The information was compiled by AAND and reviewed by other ministries prior to publication. The information presented for the Aboriginal Policy Initiative was previously published in *Measuring Up*, the 2001-02 Annual Report of the Government of Alberta.

The table below outlines some highlights related to Goal 6 for 2001-2002 and identifies the Alberta ministries involved in each accomplishment.

Goal 6 Strategy	2001-2002 Highlights
Improve the health status and well-being of Aboriginal people. (AAND, CD, CS, HW)	• Mobile diabetes screening clinic pilots initiated in First Nations communities (HW). • Pilot projects initiated to unite First Nations children under government care with permanent First Nations adoptive parents. The Yellowhead Tribal Council Open Custom Adoption pilot project is the first of its kind in Canada (CS). • Funding provided to Tanya Smale Cord Blood Foundation to develop a process to store unique Aboriginal cord blood (HW, AAND).
Improve the educational attainment of Aboriginal learners. (AAND, CS, HRE, LEARN)	• Rainbow Spirit Project (joint venture with Edmonton Catholic Schools) designed to identify and implement a series of best practices to meet the needs of Aboriginal learners in an integrated setting (LEARN). • Phase 1 of the Alberta Aboriginal Apprenticeship Project implemented (joint venture with industry and Aboriginal organizations) (LEARN). • The *First Nations, Métis and Inuit Education Policy Framework* was released in March 2002. It identifies goals and strategies to help guide, plan and evaluate Aboriginal learner programming and improve First Nations, Metis and Inuit learner opportunities and success (LEARN). • Student Health Initiative funding, which supports services to special needs children attending provincial schools, extended to First Nations students living on reserve (HW, CS, LEARN, Alberta Mental Health Board).
Increase the collaborative participation of Aboriginal governments, organizations and people in the design and delivery of programs and services. (all ministries)	• 14 community meetings supporting the implementation of the *Aboriginal Policy Framework* (AAND). • Consultations for the Native Education Policy Review, involving approximately 5,000 participants, were completed, laying the foundation for the development of the *First Nations, Métis and Inuit Education Policy Framework* (LEARN). • The Northern East Slopes Sustainable Resource and Environmental Management Strategy established an Aboriginal Forum to identify Aboriginal interests and develop linkages with Aboriginal communities and industry (SRD). • Removal of human remains from the Dunbow cemetery and re-interment at St. Joseph's Industrial School Provincial Historic Site (TRANS, CD, GS, JUS, AAND). • Aboriginal focus group held to bring Aboriginal perspectives to the Alberta Future Summit (AAND).
Promote the appreciation and preservation of Aboriginal cultures in Alberta. (AAND, CD, CS, JUS).	• Dedicated community-based residential cultural camp for Crown prosecutors (JUS). • The Foothills Model Forest Aboriginal Round Table is attempting to integrate traditional ecological knowledge into sustainable resource development (SRD).

Goal 6 Strategy	2001-2002 Highlights
Increase the participation by Aboriginal people in the Alberta economy. (all ministries)	• 44 fire-fighting contracts valued at $9 million awarded to Aboriginal organizations (SRD). • 10 contracts for transportation and civil projects on Aboriginal lands valued at $42.7 million awarded to Aboriginal organizations (TRANS). • Kehewin, Heart Lake, Frog Lake and Cold Lake First Nations training project trained 49 First Nations students (HRE, ENR, AAND, Canada, Precision Drilling and Alberta Energy Company). • Federal/Provincial/Territorial Ministers and National Aboriginal Leaders released *Strengthening Aboriginal Participation in the Economy* (AAND).
Clarify federal/provincial/ Aboriginal roles and responsibilities. (all ministries)	• Participating provincial ministries in the Alberta/Canada Partnership Forum initiated development of a Strategic Overview of Aboriginal Participation in the Alberta Economy and an analysis of the capacity of several Aboriginal communities to benefit from Supernet (ED, ENR, SRD, HRE, LEARN, JUS, AAND). • Federal-provincial agreement to begin a review of the Administrative Reform Agreement (delivery of social assistance to First Nations people on and off reserve) (CS, HRE, CD, IIR, AAND).

Aboriginal Policy Initiative

The Aboriginal Policy Initiative (API), identified as a priority policy initiative in 2000, was continued for 2001-2002. The API provides the Alberta government with a vision, goal, objectives, and strategies to work with Aboriginal people living in Alberta to address their needs and concerns.

During its second year (2001-2002), the API focused on accomplishing specific strategies and targets under four objectives. While AAND has the lead responsibility in coordinating the API, all Alberta government ministries have been involved in the development of strategies and initiatives to support the four objectives.

Over 80 per cent of Alberta ministries have identified Aboriginal strategies in their business plans for 2002-2005.

The four API objectives for the 2001-2002 fiscal year, along with the targets set and results achieved, are outlined in the table below.

Aboriginal Policy Initiative Targets and Results 2001-2002

Purpose

Work with Aboriginal people, federal and municipal governments, industry and other interested parties to improve the well-being and self-reliance of Aboriginal people and clarify federal, provincial and Aboriginal roles and responsibilities.

Related Government Business Plan Goals

Goal 6 - The well-being and self-reliance of Aboriginal people will be comparable to that of other Albertans.

Ministry Champions

Alberta Aboriginal Affairs and Northern Development and Alberta Justice.

Objective: **Improve the health status and well-being of Aboriginal people**	
Targets	**Results**
Decrease the number of tuberculosis cases.	• The number of Aboriginal tuberculosis cases declined from 38 in 1999 to 28 in 2000.
Decrease infant mortality.	• Baseline data is unavailable due to unreliability of current data sources.
Decrease the percentage of low and high birth weight babies born to Registered Indian parents.	• The percentage of low birth weight babies born to Registered Indian parents declined from 5.4 per cent in 1998-99 to 5.2 per cent in 1999-2000. The percentage of high birth weight babies increased from 3.6 per cent to 4.4 per cent among First Nations parents and from 1.7 per cent to 2.0 per cent among all births. These increases are thought to be largely due to the increased prevalence of diabetes.
Improve identification of diabetes and decrease related complications.	• The age-standardized rate of diabetes prevalence among First Nations people increased from 7.5 per cent in 1999 to 8.6 per cent in 2000. The rate for the general population increased from 2.6 per cent to 3.6 per cent. Related complications are expected to decrease with improved and earlier identification.
Increase by 10 per cent the number of new Child Welfare agreements with First Nations.	• There was a 12.5 per cent increase in the number of agreements during 2001-2002.
Provide Aboriginal cultural awareness training to Alberta Justice/Solicitor General staff.	• Cultural awareness training was provided to 465 staff during 2001-2002.

Objective: **Improve the educational attainment by Aboriginal learners**	
Targets	**Results**
Increase the percentage of Tuition Agreement students achieving the Acceptable Standard on Grade 3, 6, 9, Achievement Tests by 1 per cent.	• Provincial Achievement Test results are not available for 2001-2002.
Complete consultations with Aboriginal communities, school jurisdictions and post-secondary institutions and have agreements for implementing data collection for Aboriginal students by March 31, 2002.	• Preliminary discussions have been held with First Nations and Metis organizations. Further progress on this target is expected during 2002-2003.
Develop baseline data: number of Aboriginal students attending selected post-secondary institutions.	• 2,500 Aboriginal students attended Northern Lake and Keyano Colleges and the Universities of Alberta and Lethbridge during the 2001-2002 school year (preliminary data).
Develop baseline data: number of Aboriginal students applying for awards.	• 83 students applied and 63 received awards or bursaries during the 2001-2002 school year (preliminary data).

Objective: **Increase the participation by Aboriginal people in the Alberta economy**	
Targets	**Results**
80 per cent of Aboriginal employment/training clients will obtain an improved skill level.	• 83 per cent of Aboriginal clients reported an improved skill level upon completion of provincial training programs.
Alberta Finance will work with Statistics Canada to develop baseline data for 2001 and Aboriginal-specific Labour Force Survey data for 2002.	• Statistics Canada has developed a proposal to increase Aboriginal representation in the Alberta Labour Force Survey. A pilot project will be conducted during 2002-2003.

Objective: **Clarify federal/provincial/Aboriginal roles and responsibilities**	
Targets	**Results**
Develop baseline data respecting satisfaction with federal/provincial/Aboriginal partnership activities.	• The Alberta/Canada Partnership Forum, including participation from Alberta First Nation and Metis organizations, was initiated in September 2001. All participants have agreed to continue the process.

Evaluations of Pilot Projects

During 2001-2002, AAND participated in the development and implementation of evaluations of three pilot projects:

- Little Red River Cree/Tall Cree Memorandum of Understanding;
- Dene Tha' Consultation Pilot Project; and
- Alberta Northern East Slopes Regional Strategy.

Evaluations were developed and implemented in cooperation with other Alberta ministries, industry and Aboriginal communities and organizations. Reports on these evaluations are available from the Ministry on request.

Metis Settlements Reporting Entities

Metis Settlements Appeal Tribunal: The Metis Settlements Appeal Tribunal (MSAT) was established by the *Metis Settlements Act* (1990). Its mandate is to hear appeals between Settlement members and Councils, primarily in the areas of land and membership.

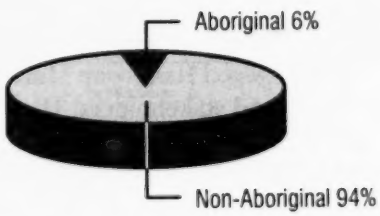
MSAT produces annual reports based on the calendar year. The MSAT 2001 Annual Report is available from the Metis Settlements Appeal Tribunal, 11th Floor, HSBC Building, 10055-106 Street, Edmonton, AB, T5J 2Y2. The report is also available on the MSAT website (www.msat.gov.ab.ca).

Metis Settlements Transition Commission: The Metis Settlements Transition Commission (MSTC) was established by the *Metis Settlements Accord Implementation Act* (1990). Its mandate was to assist the Metis Settlements, the Metis Settlements General Council and provincial government departments in implementing the Metis Settlements legislation. The MSTC was dissolved on March 31, 2002. Its final annual report, for 2001-2002, is still in draft form. When complete, this report will be available from the Ministry upon request.

Secondary Indicators

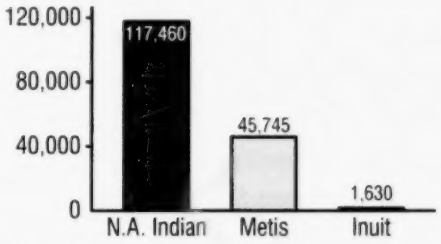
Aboriginal-specific socio-demographic and economic data provide valuable information on the conditions of Aboriginal people in Alberta. Employment and educational data are core measures associated with Government Business Plan Goal 6 (see previous section). Other data from the 1996 Canada Census (Custom 2B profiles, prepared by Statistics Canada for AAND) are presented below. The Custom 2B profiles prepared for AAND by Statistics Canada are not publicly available.

Aboriginal Population: In 1996, the Aboriginal population of Alberta was 155,655. These respondents in the Canada Census identified the ethnic or cultural origins of their ancestors as North American Indian, Métis or Inuit. Aboriginal people comprise approximately six per cent of the total Alberta population.

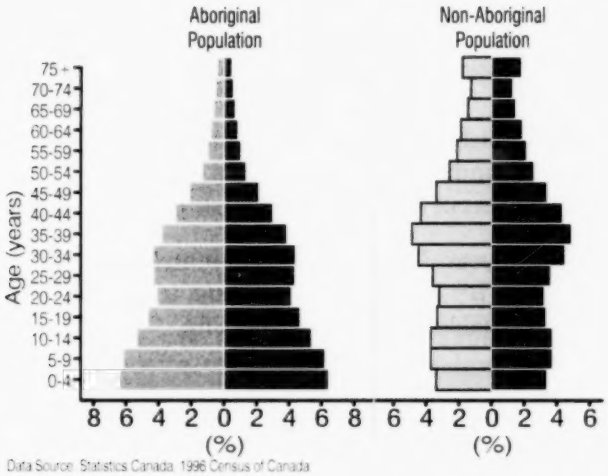


Data Source: Statistics Canada, 1996 Census of Canada

Component Groups: In 1996, the Aboriginal population of Alberta was comprised of North American Indians (71%), Métis (28%) and Inuit (1%). Approximately 10,000 Alberta respondents in the Canada Census identified more than one type of Aboriginal ancestry.



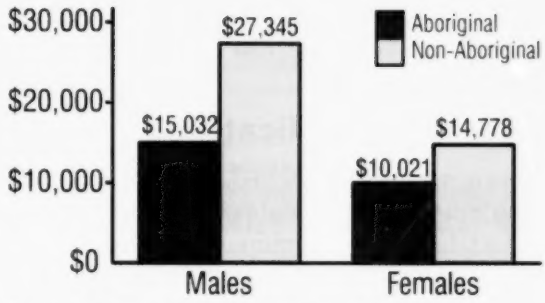
Data Source: Statistics Canada, 1996 Census of Canada



Data Source: Statistics Canada, 1996 Census of Canada

Age Structure: The Aboriginal population is younger than the non-Aboriginal population. In 1996, approximately 46 per cent of the Aboriginal population in Alberta was less than 20 years of age, compared with 29 per cent of the non-Aboriginal Alberta population.

Median Income: Income is an indicator of socio-economic conditions and of the disparities between Aboriginal people and other Albertans. In 1995, the median income for Aboriginal males in Alberta was 55 per cent of that for non-Aboriginal males. Aboriginal females earned 68 per cent of the income of non-Aboriginal females.



Data Source: Statistics Canada, 1996 Census of Canada

Survey of Clients and Partners

AAND engaged HarGroup Management Consultants Inc. to conduct surveys of the Ministry's partners and stakeholders. The sample was selected by AAND from a list of partners and stakeholders that the Ministry was actively engaged with during the year. Telephone surveys were conducted between January 24 and February 6, 2002.

A total of 49 partners participated in the survey. Partners included senior officials from Alberta departments involved in development and delivery of the *Aboriginal Policy Framework* and the cross-ministry Aboriginal Policy Initiative.

A total of 40 stakeholders also participated in the survey. Stakeholders included elected and appointed representatives from various Aboriginal organizations, senior officials from private corporations, Aboriginal service groups, the federal government and select community organizations.

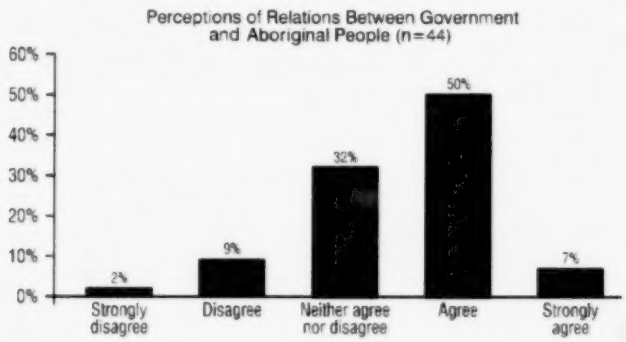
Partner Survey Results

Nearly nine out of ten respondents (88%) agreed ("strongly agree" and "agree") that AAND staff are responsive (see table below). As well, three-quarters of respondents agreed that AAND staff work collaboratively (78%), have established effective working relationships (76%) and are flexible (75%).

Service Delivery: Partner Survey*						
Staff Attributes	**Strongly Agree**	**Agree**	**Neither Agree nor Disagree**	**Disagree**	**Strongly Disagree**	**Total**
AAND staff are responsive (n=49)	51.0	36.7	10.2	2.0	-	100.0
AAND staff work collaboratively (n=49)	40.8	36.7	18.4	4.1	-	100.0
AAND staff establish effective working relationships (n=49)	42.9	32.7	24.5	-	-	100.0
AAND staff are flexible (n=48)	43.8	31.3	16.7	8.3	-	100.0

* Totals may not add to 100 per cent due to rounding.

Over half of Partner respondents (57%) agreed ("strongly agree" or "agree") that over the past two years, relations between the Government of Alberta and Aboriginal people have improved.



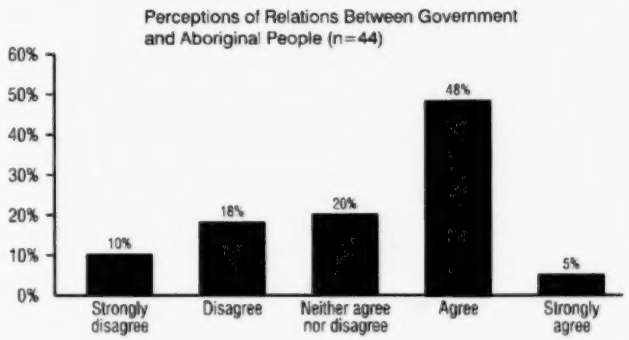
Stakeholder Survey Results

The table below indicates that nearly three-quarters of Stakeholder respondents (70%) agreed that AAND staff are responsive. Further, over half of these respondents agreed that AAND staff work collaboratively (59%) and are flexible (55%). Almost half of the Stakeholder respondents (44%) agreed that AAND staff have established effective working relationships.

Ninety-five per cent of Stakeholder respondents expressed a positive response to AAND staff efforts in the areas of staff collaboration and establishment of effective working relationships.

Service Delivery: Stakeholder Survey						
Staff Attributes	**Strongly Agree**	**Agree**	**Neither Agree nor Disagree**	**Disagree**	**Strongly Disagree**	**Total**
AAND staff are responsive (n=40)	30.0	40.0	17.5	10.0	2.5	100.0
AAND staff work collaboratively (n=39)	20.5	38.5	33.3	5.1	2.6	100.0
AAND staff are flexible (n=38)	18.4	36.8	23.7	15.8	5.3	100.0
AAND staff establish effective working relationships (n=39)	15.4	28.2	43.6	5.1	7.7	100.0

Over half of Stakeholder respondents (53%) perceived relations between the Government of Alberta and Aboriginal people to have generally improved over the past two years. These results are similar to the findings of the Partner survey.



Public Polling Data

One measure of Alberta government performance in the area of Aboriginal relations is public polling data on the satisfaction level of Albertans. This data tracks the performance of the provincial government rather than the performance of the Ministry. The Ministry, however, plays an important role in supporting the Premier and Cabinet in achieving their Aboriginal goal.

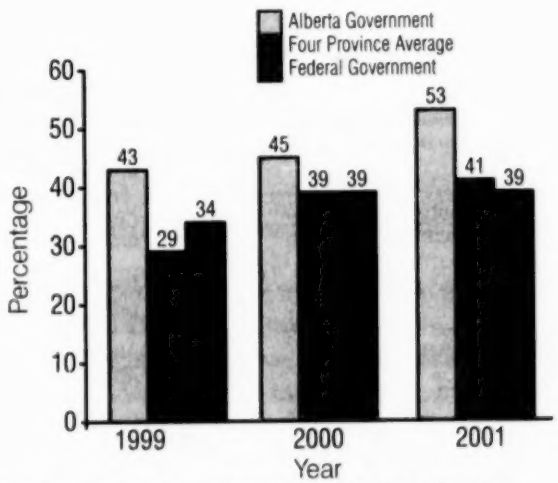
Polling data is based on a national opinion poll conducted four times a year by Environics Canada, surveying provincial and federal government performance, as reported in the *Focus Canada* reports. Environics completes telephone interviews of approximately 2,000 adult Canadians on a quarterly basis. The margin of error nationally is approximately plus or minus 2.2 per cent, 19 times out of 20. For example, in the fourth quarter of 2001, Environics interviewed 2,000 adult Canadians. The margin of error for the entire sample was plus or minus 2.2 per cent, 19 times out of 20. A total of 220 interviews were conducted in Alberta and 707 in western Canada. The margin of error for Alberta was 6.6 per cent and, for western Canada, 3.7 per cent.

Respondents are specifically asked to rate their approval or disapproval of the way their government (both provincial and federal) is performing in the area of Aboriginal affairs. The approval ratings from the four surveys each year are averaged to indicate the percentage of citizens approving of their respective government's performance.

Alberta's target is to maintain the government's public approval rating on Aboriginal relations on par with the average of British Columbia, Saskatchewan, Manitoba and Ontario. These provinces are closest to Alberta in terms of geography, history, economic base, social patterns and Aboriginal populations.

Alberta's Aboriginal relations approval rating in 2001 was 53 per cent versus the four-province average of 41 per cent and a federal government approval rating of 39 per cent (see graph below).

Alberta's approval rating on Aboriginal relations has increased by 10 per cent since 1999. Factors contributing to this increase may include Alberta's commitment to address Aboriginal issues, through the Government of Alberta's *Aboriginal Policy Framework* and the establishment of the Ministry of Aboriginal Affairs and Northern Development.



Data Source: Environics Research Group Limited, Focus Canada Reports)

Financial Results

The Ministry's financial performance was within budget and no significant variances arose in comparison to budget for the current year, except for the payments to Peigan and Siksika First Nations.

The Ministry used operating funds and a supplementary estimate of $848,000 to fund payments totalling $1,250,000 for Peigan and Siksika First Nations. Payment of $750,000 to Peigan First Nation was for reimbursement of legal costs and $150,000 for provincial legal expenses incurred in the negotiation of a treaty land settlement agreement. Payment of $200,000 to Siksika Nation was the first payment in accordance with a five-year protocol agreement to expire 2005-06. An additional $150,000 payment for provincial legal expenses was also made.

The Minister of Finance and Chair, Treasury Board requested all ministries to reduce spending by one per cent of base budget and additional discretionary amounts to ensure government continued to balance its budget under the *Fiscal Responsibility Act*. The Ministry reduced spending in travel, training, intern program, hosting, grants, and contracts and later applied these funds to the payments to Peigan and Siksika First Nations.

Future Corporate Planning Direction

During its first year, the Ministry made major progress toward integration of a collective Aboriginal and Northern mandate. For 2002-2005, the Ministry has refined its vision, mission, core businesses and goals and has created a suite of performance indicators. These indicators are stated in terms of long-term outcomes, specific outputs outlining key achievements and performance measures. Examples of these indicators are outlined in the table below.

Type of Indicator	Example
Long-term outcome	• Improved relations between the Government of Alberta and Aboriginal governments, communities and organizations.
Specific output outlining key achievement	• Production of draft consultation guidelines with respect to development on Crown land. • Draft recommendations to incorporate traditional use data into provincial land use planning.
Performance measures	• Aboriginal strategies and initiatives are identified in 75 per cent of Alberta ministry business plans. • Increase Metis Settlement self-generated revenues by two per cent.

As a relatively young Ministry, AAND will continue to review and revise its vision, mission, core business and performance measures as we look to an exciting and challenging future.

Northern Development

The following summarizes northern development activities by the Ministry and the Northern Alberta Development Council (NADC) for 2001-2002. The work of the NADC to advance development in the north complements the vision and goals of the Ministry. More details are contained in the NADC annual report available from the NADC office in Peace River.

Operational Overview

The NADC consists of nine public members and one elected member of the Legislative Assembly of Alberta. In 2001-2002, the Council was chaired by Gary Friedel, the MLA for Peace River. The Council Chair reports to the Minister of Aboriginal Affairs and Northern Development.

Mission

The mission of the NADC is to advance northern development through regional initiatives in partnership with the private sector and community-based organizations and other government agencies.

Core business

The mandate of NADC, as set out in the *Northern Alberta Development Council Act*, is to "investigate, monitor, evaluate, plan and promote practical measures to foster and advance general development in northern Alberta."

Results Analysis

Goal 1: To Receive Input Into, Identify and Share Information on Priority Northern Development Opportunities and Issues Through Our Consultation Process

The Ministry uses a variety of means for receiving input and sharing information with key community, business and government leaders. Key activities during 2001-2002 included:

- **Leaders' Roundtables:** These meetings provided regional leaders with chances to present concerns and identify specific opportunities and barriers to northern development.
- **Stakeholder Meetings:** Meetings were held with key northern stakeholders in the High Level, Grande Prairie and Cold Lake areas. Issues included resource management, northern highway development and skill development.
- ***Northern Developments* Newsletter**: This quarterly newsletter is distributed to business, industry, municipal, Aboriginal, and community contacts across the North. It can be accessed on the NADC website.
- **The Northern Forum**: During 2001-2002, the Ministry hosted the Northern Forum General Assembly in Edmonton. The Northern Forum includes membership from 27 northern regions from 10 countries.

- **Challenge North 2003**: NADC hosts a major conference every three years to gather input from northern stakeholders. Planning has commenced for the next Challenge North Conference to be held in Fort McMurray in 2003.

Goal 2: To Promote Opportunities and Address Barriers to Northern Development

Inter-jurisdictional Initiatives

- **Alberta-Northwest Territories Memorandum of Understanding for Cooperation and Development**: The Ministry provides support for the implementation of this agreement, co-chaired by the Minister of Aboriginal Affairs and Northern Development. Initiatives under the Memorandum of Understanding include transportation connections, skill development and tourism.
- **Northern Development Ministers' Forum:** Northern Development Ministers from across Canada met for the second time in September 2001 in La Ronge, Saskatchewan, and agreed to create a Northern Development Ministers' Forum.

Northern Development Opportunities

The Ministry works in partnership with others to promote northern development. Areas of emphasis during 2001-2002 included:

- **Transportation**: A proposed strategy was developed for the funding of northern highways in relation to the Northwestern Canada Integrated Road Concept Plan, adopted in 1998 by the Western Premiers to provide a vision for the long-term integration of highways. NADC participated in the Northwest Corridor Development Corporation Annual Conference and a review of the *Canadian Transportation Act*.
- **Agricultural Diversification:** NADC commissioned a study of intensive livestock operations and assisted the Alberta Beef Team in strategy development for northern Alberta. The Council also participated in the *Peace Regional Value-added Agriculture Opportunity Analysis,* completed in fall 2001.
- **Tourism**: NADC chairs Deh Cho-The Mackenzie Connection group, an inter-jurisdictional tourism marketing society involving the Northwest Territories, northeastern British Columbia and Alberta. During 2001-2002, NADC worked with local partners to organize a tour for tourism stakeholders from Edmonton. It also worked with northern communities on development of tourism facilities.
- **Opportunity North**: This initiative involved development of information to assist employers in recruiting staff to northern Alberta. The www.opportunitynorth.ca website will feature images, statistics and links to employers, communities and lifestyle information.

Goal 3: To Increase Northern Skill Levels

- **Bursary Program:** This program increases northern students' financial capacity to access employment-related post-secondary training. Bursaries were awarded to 114 Alberta students in 2001-2002. Total value of the bursaries was $330,000.

- **Bursary Partnership Program**: Through bursary partnerships, the Ministry, industry, small businesses and community organizations co-sponsor bursaries for post-secondary students. This year, the number of co-sponsors increased by 10 to 48. Co-sponsors contributed $163,300 and sponsored 143 bursaries. The total value of the bursaries was $304,100.

Other activities related to northern skill development included:

- **Northern Student Supplement**: This joint initiative between NADC and Alberta Learning applies to first- and second-year northern post-secondary students with high financial need. In this fourth year of the program, $719,940 was provided to northern students.
- **Northern Bachelor of Social Work (BSW) Council of Stakeholders and the Northern Distance BSW Planning Circle:** Through the efforts of these groups, which are supported by the Ministry, students can now enrol in a social work baccalaureate degree in Northern Alberta.
- **Northern LINKS:** This program is aimed at easing the transition from high school to post-secondary education. In response to Alberta Learning's research showing that 75 per cent of students are choosing careers in Grade 9, the program focus shifted from Grade 12 and first- and second-year post-secondary students to students in Grades 9 to 12.
- **Northern Labour Market Information Clearinghouse:** This joint initiative between NADC and five northern Alberta colleges provides the colleges with labour force and economic information to assist them in identification and development of training programs.
- **Youth Apprenticeship Program**: With assistance from Alberta Learning, the Ministry continued to promote northern apprenticeship training and advance its proposed Youth Apprenticeship Program.
- **Opportunities Seminars:** Regional Opportunities Seminars were held in Valleyview and Athabasca for Aboriginal communities and others seeking information on employment opportunities.

Performance Measures

Effective Community Consultation: Seventy-nine participants at the Leaders' Roundtables were asked to submit evaluations. Sixty-two were received. Of the participants who expressed an opinion on the effectiveness of the meeting for sharing information and informing the NADC of development issues and opportunities, the average rating was 87.8 per cent. 2001 results were 96 per cent for two of four meetings held and 80 per cent for the other two meetings. The performance target was 90 per cent for both 2000-2001 and 2001-2002.

Opportunities for and Barriers to Northern Development: An independent consultant conducted a random telephone survey of 103 of 123 identified project partners. The survey was conducted between May 27 and June 12, 2002, and covered fiscal year 2001-2002. Results are reliable to within 5 per cent at a 99 per cent confidence interval. Of those respondents who expressed an opinion, 98 per cent indicated they believed that the NADC's project work promoted an opportunity or addressed a barrier to northern development (2001 – 99 per cent). The performance target was 90 per cent for both 2000-2001 and 2001-2002.

Bursary Return Service Rate: As part of the Bursary Partnership Program, students are required to work in the north upon completion of their education. The return service rate measures compliance toward this obligation. The rate includes both those students in the process of completing their return service and those who have completed their obligation.

The return service rate is 74.39 per cent. The target was 75 per cent. The slight decrease could be a reflection of the strong job opportunities across the province.

Reporting Year	Return of Service Target	Return Service Rate	Years Used in Calculation
1995/1996	no formal target	71.49	93, 94, 95
1996/1997	72%	72.47	94, 95, 96
1997/1998	74%	76.54	95, 96, 97
1998/1999	75%	76.44	96, 97, 98
1999/2000	75%	73.77	97, 98, 99
2000/2001	75%	77.61	98, 99, 00
2001/2002	75%	74.39	99, 00, 01

(Source: Bursaries database)

Bursary Partnership Program: The target for the Bursary Partnership Program (BPP) was to confirm $130,000 in matching funding from partners. The actual amount committed by private sector sponsors was $163,300.

Reporting Year	Partner Contribution Target	Number of Bursaries	Partner Contribution Received	BPP Portion
1995/1996	no formal target	80	$93,000	$73,600
1996/1997	$110,000	83	$105,200	$86,805
1997/1998	$130,000	113	$122,050	$100,050
1998/1999	$150,000	116	$122,636	$106,430
1999/2000	$120,000*	129	$125,950	$120,450
2000/2001	$125,000	132	$135,700	$136,450
2001/2002	$130,000	143	$163,300	$140,800

*Target adjusted based on actual trends of sponsor contributions.

(Source: Bursaries database)

Northern LINKS: The performance measure for Northern LINKS was the percentage of students planning to pursue post-secondary/trades education who expect their participation in the program to ease their transition and encourage program completion.

In 2001-2002, Northern LINKS funding was approved for 35 projects. One thousand thirty-five (1035) students provided evaluation feedback. Of these, 930 (90 per cent) indicated that they planned to pursue post-secondary education. Eight hundred twenty-nine (829) respondents provided an overall rating of 79 per cent in response to a question on how the project helped them in planning their post-secondary education (2001 – 77 per cent). The target was 85 per cent for both 2000-2001 and 2001-2002.

Ministry of Aboriginal Affairs and Northern Development Financial Statements

March 31, 2002

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AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

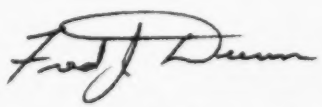
To the Members of the Legislative Assembly

I have audited the statement of financial position of the Ministry of Aboriginal Affairs and Northern Development as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of management of the Ministry. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Ministry is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following policy that is an exception from Canadian generally accepted accounting principles. Capital assets costing less than $15,000 have been expensed in the year acquired and have not been recognized as assets in the accompanying statement of financial position. Consequently, the annual amortization of these assets has not been recognized in the statement of operations. In my opinion, an amount of approximately $268,000, representing the net book value of these assets as at March 31, 2002, should be recognized in these financial statements. The effect of this understatement of assets is to understate expenses by approximately $60,000 for the year ended March 31, 2002.

In my opinion, except for the effects of the matter discussed in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2002 and the results of its operations and the changes in its financial position of the year then ended in accordance with Canadian generally accepted accounting principles.



Fred J. Dunn, CA

Auditor General

Edmonton, Alberta

May 23, 2002

Statement of Operations

For the year ended March 31, 2002

	(in thousands)		
	2002		2001
	Budget (Schedule 3)	Actual	Actual
Revenues			
Other Revenue	$ 45	$ 172	$ 286
	45	172	286
Expenses - Directly Incurred			
Voted (Schedules 2 and 4)			
Aboriginal Relations	8,365	9,316	7,911
Metis Settlements Governance	9,891	9,778	9,990
Northern Development	1,954	1,829	1,898
	20,210	20,923	19,799
Statutory (Schedules 2 and 4)			
Metis Settlements Legislation	10,000	10,000	10,000
Valuation Adjustments			
Provision for Vacation Pay	-	106	5
	10,000	10,106	10,005
	30,210	31,029	29,804
Net Operating Results	$ (30,165)	$ (30,857)	$ (29,518)

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

As at March 31, 2002

	(in thousands) 2002	2001
ASSETS		
Cash	$ 540	$ -
Accounts Receivable	517	273
Advances	6	7
	$ 1,063	$ 280
LIABILITIES		
Accounts Payable and Accrued Liabilities (Notes 4 and 8)	$ 3,813	$ 2,582
NET LIABILITIES		
Net Liabilities at Beginning of Year	(2,302)	(5,795)
Net Operating Results	(30,857)	(29,518)
Net Transfer from General Revenues	30,409	33,011
Net Liabilities at End of Year	(2,750)	(2,302)
	$ 1,063	$ 280

The accompanying notes and schedules are part of these financial statements.

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(in thousands) 2002	2001
Operating Transactions:		
Net Operating Results	$ (30,857)	$ (29,518)
Non-cash Items		
Valuation Adjustments	106	5
	(30,751)	(29,513)
Decrease (Increase) in Accounts Receivable and Advances	(243)	(105)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	1,125	(3,488)
Cash Used by Operating Transactions	(29,869)	(33,106)
Financing Transactions:		
Net Transfer from General Revenues	30,409	33,011
Net Cash Provided (Used)	540	(95)
Cash at Beginning of Year	-	95
Cash at End of Year	$ 540	$ -

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Department of Aboriginal Affairs and Northern Development operates under the authority of the *Government Organization Act, Chapter G-10, Revised Statutes of Alberta 2000.*

The purpose of the Ministry of Aboriginal Affairs and Northern Development is to lead in the development of government-wide strategies and policies to improve the well-being and self-reliance of Aboriginal people; to promote development of northern Alberta; and to guide Alberta's relations with Aboriginal and northern governments, communities and organizations and other partners.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all ministries. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Ministry of Aboriginal Affairs and Northern Development for which the Minister of Aboriginal Affairs and Northern Development is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer to/from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported using the accrual method of accounting.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenue, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 1 discloses information on the Ministry's dedicated revenue initiative.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

Directly incurred expenses include:

- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which represent the change in management's estimate of future payments arising from obligations relating to vacation pay.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are disclosed in Schedule 6.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals. The fair values of the financial assets are estimated to approximate their book values. Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

Accounts receivable are non-interest bearing and unsecured.

Advances represent amounts provided to Ministry employees for travel expenses and are non-interest bearing and recoverable on demand.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. The Ministry has no capital assets exceeding these thresholds.

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end. The fair value of accounts payable and accrued liabilities is estimated to approximate their book value.

Net Liabilities

Net liabilities represents the difference between the values of assets held by the Ministry and its liabilities.

NOTE 3 GOVERNMENT RESTRUCTURING

As a result of government restructuring announced on March 15, 2001, the Ministry of Aboriginal Affairs and Northern Development was established.

The 2001 figures are presented as if the Ministry of Aboriginal Affairs and Northern Development had been in existence on April 1, 2000 and throughout the two-year period covered by these financial statements.

	(in thousands)
Transfer from the Ministry of Resource Development	$ 3
Transfer from the Ministry of International and Intergovernmental Relations	5,792
Net liabilities as restated at March 31, 2000	$ 5,795

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	(in thousands)	
	2002	2001
Accounts Payable	$ 681	$ -
Accrued Liabilities:		
Manpower	85	-
Supplies and Services	1,759	1,792
Grants	843	410
Vacation Pay	445	339
Other	-	41
	$ 3,813	$ 2,582

NOTE 5 COMMITMENTS

As at March 31, 2002, the Ministry has a commitment of $50 million (2001 – $60 million) under the *Metis Settlements Accord Implementation Act*. The Act requires payment of $10 million per year until April 1, 2006.

In 1997 an agreement was signed suspending Sections 7, 8 and schedule 1 of the *Metis Settlements Accord Implementation Act*. These sections outlined future obligations with respect to matching of the amount the Metis Settlements Council collected from eligible sources each year until March 31, 2002, and provided for matching grants in the years from April 1, 2002 to March 31, 2007. As future obligations cannot be determined, these sections of the agreement have been replaced with annual amendments that provide for the current year's allocation.

A Matching Grants Replacement Agreement between the Ministry and the Metis Settlements General Council provides for a commitment of funding to the Metis Settlements General Council of $6,269,000 (2001 – $8,868,000).

The Ministry has a commitment to pay $800,000 over the next four years under a protocol agreement with a First Nation.

As at March 31, 2002, the Ministry also had service contract and grant contract commitments totalling $453,000 (2001 – $163,000).

NOTE 6 CONTINGENT LIABILITY

The Province, as represented by the Ministry of Aboriginal Affairs and Northern Development, has a contingent liability in respect of 35 claims (2001 – 41) concerning Aboriginal rights, Indian title and treaty rights. In most cases, these claims have been filed jointly and severally against the Province of Alberta and the Government of Canada, and in some cases involve third parties. Of these claims, 21 (2001 – 23) have specified amounts totalling $64,447 million (2001 – $65,901 million) plus a provision for interest and other costs that are not now calculable. The other 14 claims (2001 – 18) have not specified any amounts. At this time, the outcome of these claims cannot be determined. In addition, there are four treaty land entitlement claims (2001 – 4 claims) for which Alberta may have an obligation under the Natural Resource Transfer Agreement.

NOTE 7 DEFINED BENEFIT PLANS

(in thousands)

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $227 (2001 – $189) for the year ending March 31, 2002.

At December 31, 2001, the Management Employees Pension Plan reported a surplus of $5,338 (2000 – $170,858) and the Public Service Pension Plan reported a surplus of $320,487 (2000 – $635,084). At December 31, 2001, the Supplementary Retirement Plan for Public Service Managers had a deficiency of $399 (2000 – surplus of $180).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. As March 31, 2002, the Bargaining Unit Plan reported an actuarial deficiency of $8,646 (2001 – $12,710) and the Management, Opted Out and Excluded Plan an actuarial deficiency of $2,656 (2001 – $4,583). The expense for these two plans is limited to employer's annual contributions for the year.

NOTE 8 METIS SETTLEMENTS TRANSITION COMMISSION

Pursuant to the *Metis Settlements Accord Implementation Act,* and Order in Council 123/97, the Metis Settlements Transition Commission (the Commission) dissolved on March 31, 2002. As the Ministry assumed responsibilities for the wind up of the Commission and the transfer of the Land Registry function to the Ministry, all assets were transferred to the Ministry. The Ministry also assumed responsibility for maintaining the *Matching Grants Replacement Agreement (MGRA)* funds and other accounts payable. Accordingly a liability totaling $644,454 was established payable to the Metis Settlements upon amendment of the MGRA or the Metis Settlements meeting terms and conditions for its release and other accounts payable.

NOTE 9 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 10 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Schedules to Financial Statements

Dedicated Revenue Initiatives

Schedule 1

For the year ended March 31, 2002

	(in thousands) 2002	
	Authorized Dedicated Revenues	Actual Dedicated Revenues
Northern Alberta Labour Market Clearing House	$ 45	$ 45

Northern Alberta Development Council partners with post-secondary institutions to sponsor a Northern Labour Market Information Clearing House, which provides employment and economic data with a focus on industry and employment driven training needs.

The revenue of this dedicated revenue initiative is included in the Ministry's revenue.

Expenses - Directly Incurred Detailed by Object

Schedule 2

For the year ended March 31, 2002

(in thousands)

	2002 Budget	2002 Actual	2001 Actual
Voted:			
Grants			
Metis Settlements Governance	$ 8,868	$ 8,860	$ 8,846
Aboriginal Relations	3,161	2,896	3,283
Northern Development	400	296	653
	12,429	12,052	12,782
Salaries, Wages and Employee Benefits	4,193	3,909	3,313
Supplies and Services	3,518	4,741	3,606
Support Service Arrangements with Related Parties (a)	-	145	68
	3,518	4,886	3,674
Financial Transactions and Other	70	76	30
	$ 20,210	$ 20,923	$19,799
Statutory:			
Grants			
Metis Settlements Legislation	$ 10,000	$ 10,000	$10,000
Valuation Adjustments			
Provision for Vacation Pay	-	106	5
	$ 10,000	$ 10,106	$10,005

(a) The Ministry receives financial, payroll, human resource and administrative services from the Ministry of Learning. The Ministry also receives information technology services and some financial and administrative services from the Ministry of International and Intergovernmental Relations.

Budget **Schedule 3**

For the year ended March 31, 2002	(in thousands)		
	2001-2002 Estimates	Authorized Supplementary(a)	2001-2002 Authorized Budget
Revenues			
Other Revenue	$ 45	$ -	$ 45
	$ 45	$ -	$ 45
Expenses - Directly Incurred			
Voted Expenses			
Aboriginal Relations	$ 8,365	$ 848	$ 9,213
Metis Settlements Governance	9,891	-	9,891
Northern Development	1,954	-	1,954
	20,210	848	21,058
Statutory Expenses			
Metis Settlements Legislation	10,000	-	10,000
Valuation Adjustments			
Provision for Vacation Pay	-	-	-
	10,000	-	10,000
	30,210	-	31,058
Net Operating Results	$ (30,165)	$ (848)	$ (31,013)

(a) Supplementary Estimates were approved on March 14, 2002.

Comparison of Expenses Incurred by Element to Authorized Budget

Schedule 4

For the year ended March 31, 2002

(in thousands)

	2001-2002				
	Estimates	Authorized Supplementary (a)	Authorized Budget	Actual Expense (b)	Unexpended (Over Expended)
Voted Expenses:					
Aboriginal Relations					
1.0.1 Minister's Office	$ 300	$ -	$ 300	$ 299	$ 1
1.0.2 Corporate Services	1,050	-	1,050	1,090	(40)
1.0.3 Aboriginal Relations	7,015	848	7,863	7,927	(64)
	8,365	848	9,213	9,316	(103)
Metis Settlement Governance					
2.0.1 Metis Settlements Transition Commission	978	-	978	969	9
2.0.2 Metis Settlements Appeal Tribunal	1,023	-	1,023	919	104
2.0.3 Metis Settlements Funding	7,890	-	7,890	7,890	-
	9,891	-	9,891	9,778	113
Northern Development					
3.0.1 Northern Development	1,954	-	1,954	1,829	125
3.0.2 Western Economic Partnership Agreement	-	-	-	-	-
	1,954	-	1,954	1,829	125
Total Voted Expenses	$ 20,210	$ 848	$ 21,058	$ 20,923	$ 135
Statutory Expenses:					
Metis Settlements Legislation	$ 10,000	$ -	$ 10,000	$ 10,000	$ -
Valuation Adjustments	-	-	-	106	(106)
	$ 10,000	$ -	$ 10,000	$ 10,106	$ (106)

(a) Supplementary Estimates were approved on March 14, 2002.

(b) Includes achievement bonus amounting to $83.

Salary and Benefits Disclosure

Schedule 5

For the year ended March 31, 2002

	2002			2001
	Salary [1]	Benefits and Allowances [2]	Total	Total
Deputy Minister [3][4][6]	$ 157,264	$ 54,627	$ 211,891	$ -
Executives				
Assistant Deputy Minister - Aboriginal Relations	108,813	28,925	137,738	108,719
Executive Director - Northern Alberta Development Council [6]	81,515	15,539	97,054	-
Executive Director - Strategic Services [4][6]	93,508	22,564	116,072	-
Executive Director - Aboriginal Land Claims [4][6]	95,446	26,590	122,036	-
Director - Corporate Services [4][5]	70,476	14,479	84,955	16,665

Total salary and benefits relating to a position are disclosed.

(1) Salary includes regular base pay, bonuses, overtime and lump sum payments.

(2) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships, and tuition fees.

(3) Automobile provided, no dollar amount included in benefits and allowance figures.

(4) Benefits and allowances include vacation payments to the Deputy Minister $8,159; the Executive Director, Aboriginal Land Claims $8,891; the Executive Director, Strategic Services $6,701; and the Director - Corporate Services $3,017.

(5) The incumbent's services commenced June 4, 2001 and are shared with the Ministry of International and Intergovernmental Relations, which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this schedule.

(6) Executive positions were created April 1, 2001 as a result of government restructuring.

Related Party Transactions

Schedule 6

For the Year Ended March 31, 2002

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties.

	(in thousands) 2002	2001
Expenses - Directly Incurred		
Supplies and Services Provided by Other Ministries	$ 342	$ 41

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 7.

	(in thousands) 2002	2001
Expenses - Incurred by Others		
Accommodation	$ 1,244	$ 271
Legal Services	201	80
	$ 1,445	$ 351

Allocated Costs **Schedule 7**

For the year ended March 31, 2002

Program	2002 (in thousands) Expenses [a]	Expenses - Incurred by Others: Accommodation Costs	Expenses - Incurred by Others: Legal Services	Valuation Adjustments: Vacation Pay	Total Expenses	2001 (in thousands) Total Expenses
Aboriginal Relations	$ 9,316	$ 941	$ 197	$ 91	$ 10,545	$ 7,976
Metis Settlements Governance	9,778	236	-	-	10,014	10,202
Northern Development	1,829	67	4	15	1,915	1,977
Metis Settlements Legislation	10,000	-	-	-	10,000	10,000
	$ 30,923	$ 1,244	$ 201	$ 106	$ 32,474	$ 30,155

(a) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments

Alphabetical List of Government Entities' Financial Statements

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	Ministry Annual Report
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Dairy Control Board	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission, The	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Revenue
Alberta Heritage Savings Trust Fund	Revenue
Alberta Heritage Scholarship Fund	Revenue
Alberta Heritage Science and Engineering Research Endowment Fund	Revenue
Alberta Historical Resources Foundation, The	Community Development
Alberta Insurance Council	Finance
Alberta Municipal Financing Corporation	Finance
Alberta Opportunity Company	Agriculture, Food and Rural Development
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Revenue
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Revenue
Alberta Social Housing Corporation	Seniors
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Finance
ATB Investment Services Inc.	Finance
Child and Family Services Authorities:	Children's Services
Awasak Child and Family Services Authority	
Calgary Rocky View Child and Family Services Authority	
Child and Family Services Authority Region 13	
Child and Family Services Authority Region 14	
Diamond Willow Child and Family Services Authority	
Hearthstone Child and Family Services Authority	
Keystone Child and Family Services Authority	
Ma' Mowe Capital Region Child and Family Services Authority	
Metis Settlements Child and Family Services Authority	
Neegan Awas'sak Child and Family Services Authority	
Ribstone Child and Family Services Authority	
Sakaigun Asky Child and Family Services Authority	
Sakaw-Askiy Child and Family Services Authority	
Silver Birch Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Sun Country Child and Family Services Authority	
West Yellowhead Child and Family Services Authority	
Windsong Child and Family Services Authority	

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	Ministry Annual Report
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Learning	Learning
Department of Revenue	Revenue
Department of Seniors	Seniors
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation, The	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCore Inc.	Innovation and Science
Lottery Fund	Gaming
Ministry of Aboriginal Affairs and Northern Development[1]	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development[1]	Economic Development
Ministry of Energy	Energy
Ministry of Environment[1]	Environment
Ministry of Finance	Finance
Ministry of Executive Council[1]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[1]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[1]	Human Resources and Employment
Ministry of Infrastructure[1]	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations[1]	International and Intergovernmental Relations
Ministry of Justice[1]	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs[1]	Municipal Affairs
Ministry of Revenue	Revenue
Ministry of Seniors	Seniors
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Transportation[1]	Transportation
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development

[1] Ministry includes only the department so separate department financial statements are not necessary.

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	Ministry Annual Report
Persons with Developmental Disabilities Community Boards	
Calgary Community Board	Community Development
Central Community Board	Community Development
Edmonton Community Board	Community Development
Northeast Community Board	Community Development
Northwest Community Board	Community Development
South Community Board	Community Development
Persons with Developmental Disabilities Foundation[2]	Community Development
Persons with Developmental Disabilities Michener Centre Facility Board	Community Development
Persons with Developmental Disabilities Provincial Board	Community Development
Provincial Judges and Masters in Chambers Reserve Fund	Finance
S C Financial Ltd.	Finance
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General
Wild Rose Foundation, The	Community Development

ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Fund or Agency	Ministry Annual Report
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts Trust Account, The	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan - Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan - Management,	Human Resources and Employment
Opted Out and Excluded Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Provincial Judges and Masters in Chambers	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Universities Academic Pension Plan	Finance
Workers' Compensation Board	Human Resources and Employment

[2] Dissolved June 2001.

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